



QUARTERLY STATEMENT
AS OF September 30, 2008
OF THE CONDITION AND AFFAIRS OF THE
DC CHARTERED HEALTH PLAN, INC.

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95748	Employer's ID Number	52-1492499
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[] Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[] Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]					
Incorporated/Organized	09/12/1986		Commenced Business	09/12/1986		
Statutory Home Office	1025 15TH STREET NW (Street and Number)		WASHINGTON, DC 20005-2601 (City, or Town, State and Zip Code)			
Main Administrative Office	1025 15TH STREET NW (Street and Number)					
	WASHINGTON, DC 20005-2601 (City or Town, State and Zip Code)		(202)408-4720 (Area Code) (Telephone Number)			
Mail Address	1025 15TH STREET NW (Street and Number or P.O. Box)		WASHINGTON, DC 2005-2601 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	1025 15TH STREET NW (Street and Number)					
	WASHINGTON, DC 20005-2601 (City, or Town, State and Zip Code)		(202)408-3973 (Area Code) (Telephone Number)			
Internet Website Address	www.chartered-health.com					
Statutory Statement Contact	GABRIEL JOSEPH HANNA (Name)		(202)408-3973 (Area Code)(Telephone Number)(Extension)			
	ghanna@chartered-health.com (E-Mail Address)		(202)289-6642 (Fax Number)			

OFFICERS

Name	Title
JEFFREY EARL THOMPSON	Chairman
KAREN MARGARET DALE	President and CEO #
GABRIEL JOSEPH HANNA	Chief Financial Officer

VICE PRESIDENT

ROBERT EDWARD WATKINS, COO
LESLIE LYLES SMITH, SVP, HEALTH PLAN SRVS
LAVDENA ADAMS ORR MD, CMO
FRANCIS SHERBERT SMITH, SVP & GENERAL COUNSEL #

DIRECTORS OR TRUSTEES

JEFFEREY EARL THOMPSON
MYRTLE ROSALIND GOMEZ
WILLIAM JEFFREY STRUDWICK
JOHNNIE BROOKS BOOKER
NICHOLAS GEORGE KAREMBALAS

State of District of Columbia
County of ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
KAREN MARGARET DALE		GABRIEL JOSEPH HANNA
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President and CEO	Secretary	Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
day of , 2008
a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached
Yes[X] No[]

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds				9,142,172
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....16,285,136), cash equivalents (\$.....23,017,268) and short-term investments (\$.....0)	39,302,405		39,302,405	24,760,724
6.	Contract loans (including \$.....0 premium notes)				
7.	Other invested assets				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	39,302,405		39,302,405	33,902,896
11.	Title plants less \$.....0 charged off (for Title insurers only)				
12.	Investment income due and accrued				583,203
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection	4,574,185		4,574,185	7,616,723
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers				
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans				241,012
16.1	Current federal and foreign income tax recoverable and interest thereon				
16.2	Net deferred tax asset	1,251,474	842,846	408,628	860,051
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software	350,632	214,501	136,131	140,046
19.	Furniture and equipment, including health care delivery assets (\$.....0)	122,832	122,832		
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates	2,429,659		2,429,659	1,161,534
22.	Health care (\$.....407,707) and other amounts receivable	407,707	407,707		
23.	Aggregate write-ins for other than invested assets	3,116,786	3,116,786		0
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	51,555,679	4,704,672	46,851,007	44,505,463
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	51,555,679	4,704,672	46,851,007	44,505,463
DETAILS OF WRITE-INS					
0901.				
0902.				
0903.				
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	DEPOSITS	148,800	148,800		
2302.	PREPAID EXPENSES	976,791	976,791		
2303.	GOODWILL	1,460,583	1,460,583		0
2398.	Summary of remaining write-ins for Line 23 from overflow page	530,612	530,612		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	3,116,786	3,116,786		0

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....97,122 reinsurance ceded)	20,321,603		20,321,603	20,181,467
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	612,561		612,561	636,219
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	284,712		284,712	
9.	General expenses due or accrued	957,180		957,180	1,555,627
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others	16,202		16,202	67,903
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured plans	158,236		158,236	
21.	Aggregate write-ins for other liabilities (including \$.....0 current)	442,648		442,648	444,486
22.	Total liabilities (Lines 1 to 21)	22,793,143		22,793,143	22,885,701
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X	100	100
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X	4,690,419	4,690,419
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	19,367,345	16,929,243
30.	Less treasury stock, at cost:				
30.1100 shares common (value included in Line 24 \$.....0)	X X X	X X X		
30.20 shares preferred (value included in Line 25 \$.....0)	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	24,057,864	21,619,762
32.	Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	46,851,007	44,505,463
DETAILS OF WRITE-INS					
2101.	UNCLAIMED CHECKS	442,648		442,648	444,486
2102.				
2103.				
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)	442,648		442,648	444,486
2301.	X X X	X X X		
2302.	X X X	X X X		
2303.	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	X X X	X X X		
2802.	X X X	X X X		
2803.	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
				Prior Year Ended December 31
				4 Total
1.	Member Months	X X X	609,479	554,757
2.	Net premium income (including \$.....0 non-health premium income)	X X X	130,026,019	123,314,410
3.	Change in unearned premium reserves and reserves for rate credits	X X X		
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	Total revenues (Lines 2 to 7)	X X X	130,026,019	123,314,410
Hospital and Medical:				
9.	Hospital/medical benefits		46,113,122	47,458,969
10.	Other professional services		35,824,029	31,085,957
11.	Outside referrals			
12.	Emergency room and out-of-area		14,883,818	11,324,841
13.	Prescription drugs		9,451,750	8,077,463
14.	Aggregate write-ins for other hospital and medical		916,531	742,584
15.	Incentive pool, withhold adjustments and bonus amounts			
16.	Subtotal (Lines 9 to 15)		107,189,250	98,689,813
Less:				
17.	Net reinsurance recoveries		287,474	593,232
18.	Total hospital and medical (Lines 16 minus 17)		106,901,776	98,096,581
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....2,402,507 cost containment expenses		3,285,395	3,568,771
21.	General administrative expenses		15,514,708	14,314,416
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		125,701,879	115,979,768
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	4,324,141	7,334,642
25.	Net investment income earned		1,052,524	1,624,304
26.	Net realized capital gains (losses) less capital gains tax of \$.....0			
27.	Net investment gains or (losses) (Lines 25 plus 26)		1,052,524	1,624,304
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			
29.	Aggregate write-ins for other income or expenses			176,672
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	5,376,665	8,958,946
31.	Federal and foreign income taxes incurred	X X X	2,088,604	3,480,168
32.	Net income (loss) (Lines 30 minus 31)	X X X	3,288,060	5,478,778
DETAILS OF WRITE-INS				
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	OTHER MEDICAL CLAIMS - DME		916,531	742,584
1402.	Other Medical Claims - Durable Medical			
1403.	DURABLE MEDICAL EQUIPMENT			
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		916,531	742,584
2901.	ADMIN SERVICE FEE FOR AFFILIATED COMPANIES			176,672
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)			176,672

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	21,619,762	20,226,717	20,226,717
34.	Net income or (loss) from Line 32	3,288,060	5,478,778	5,464,239
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	(670,219)	242,475	577,226
39.	Change in nonadmitted assets	132,663	(50,849)	(517,529)
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			0
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders		(4,022,671)	(4,022,671)
47.	Aggregate write-ins for gains or (losses) in surplus	(312,402)	372,911	(108,220)
48.	Net change in capital and surplus (Lines 34 to 47)	2,438,102	2,020,644	1,393,045
49.	Capital and surplus end of reporting period (Line 33 plus 48)	24,057,864	22,247,361	21,619,762
DETAILS OF WRITE-INS				
4701.	2008 STATUTORY AUDIT ADJUSTMENT	(312,402)	354,720	(108,220)
4702.	0		18,191	
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	(312,402)	372,911	(108,220)

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	133,353,269	165,918,527
2.	Net investment income	1,037,280	2,053,947
3.	Miscellaneous income		
4.	Total (Lines 1 to 3)	134,390,549	167,972,474
5.	Benefit and loss related payments	106,761,640	135,416,315
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	18,424,513	24,323,458
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	2,088,604	2,880,411
10.	Total (Lines 5 through 9)	127,274,757	162,620,183
11.	Net cash from operations (Line 4 minus Line 10)	7,115,792	5,352,291
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	10,044,480	5,193,218
12.2	Stocks		21,987,089
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)	10,044,480	27,180,307
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	902,308	498,819
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)	902,308	498,819
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	9,142,172	26,681,488
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		0
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		4,022,671
16.6	Other cash provided (applied)	(1,716,282)	(603,804)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(1,716,282)	(4,626,475)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	14,541,681	27,407,303
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	24,760,724	(2,646,580)
19.2	End of period (Line 18 plus Line 19.1)	39,302,405	24,760,724

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	63,309		24,013						39,296	
2. First Quarter	63,688		24,412						39,276	
3. Second Quarter	66,280		23,683						42,597	
4. Third Quarter	75,849		16,970						58,879	
5. Current Year										
6. Current Year Member Months	609,479		202,140						407,339	
Total Member Ambulatory Encounters for Period:										
7. Physician	179,673		67,203						112,470	
8. Non-Physician	77,368		33,532						43,836	
9. Total	257,041		100,735						156,306	
10. Hospital Patient Days Incurred	22,480		9,576						12,904	
11. Number of Inpatient Admissions	5,148		1,584						3,564	
12. Health Premiums Written (a)	130,796,650		40,302,207						90,494,443	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	130,796,650		40,302,207						90,494,443	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services ...	107,341,591		31,758,759						75,582,833	
18. Amount Incurred for Provision of Health Care Services	107,189,250		29,996,233						77,193,016	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
Howard University						
Howard University	372,696	1,395				374,091
Providence Hospital	401,145	475			(1,115)	400,505
Caremark	839,136					839,136
QPA	393,613					393,613
Washington Hospital Center	193,540	100			(3,752)	189,889
Children's National Medical Center	424,218	(1,927)				422,291
0199999 Individually Listed Claims Unpaid	2,624,347	44			(4,867)	2,619,525
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	1,971,747	33			(3,657)	1,968,124
0499999 Subtotals	4,596,095	77			(8,524)	4,587,648
0599999 Unreported claims and other claim reserves						15,831,077
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						20,418,725
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	5,257,542	26,501,217		4,858,161	5,257,542	6,620,687
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid	10,436,679	64,566,201	195,816	15,267,625	10,632,495	13,560,780
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	15,694,221	91,067,418	195,816	20,125,787	15,890,037	20,181,467
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts						
13.	Totals	15,694,221	91,067,418	195,816	20,125,787	15,890,037	20,181,467

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement
DC Chartered Health Plan, Inc. - Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

No material change during this period.

B. Use of Estimates in the Preparation of the Financial Statements

No material change during this period.

C. Accounting Policies

No material change during this period.

2. Accounting Changes and Corrections of Errors

A. Material Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

A. Mortgage Loans – None.

B. Debt Restructuring – None.

C. Reverse Mortgages – None.

D. Loan-Backed Securities – None.

E. Repurchase Agreements – None.

F. Real Estate – None.

G. Low Income Housing Tax Credits – None.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. None

B. None

Notes to Financial Statement

7. Investment Income

- A. None
- B. None

8. Derivative Instruments

None

9. Income Taxes

- A. U.S Federal income tax expense for the years ended December 31, 2007 and 2006 was \$ 2,972,054 and \$ 3,341,195. State and local income tax expense of \$940,857 and \$ 1,057,129 is included in administrative expense in the statutory statements of revenues and expenses. For the years ended December 31, 2007 and 2006, the Company’s federal income taxes incurred is different from the computed expected tax expense of 35% of the income before federal income taxes due to the effect of nondeductible expense for tax return purpose, as well as the effect of non-admitted deferred tax assets.

Based on the 2007 audited financial statements, the net deferred tax asset increased from \$ 1,921,693, as filed in the 2007 annual statement, to \$2,037,800. The non-admitted portion remained the same at \$ 1,061,642, thus, the admitted deferred tax asset increased from \$ 860,051, as reported on the 2007 annual statement, to \$976,158.

- B. Not applicable.
- C. Not applicable.
- D. Not applicable.
- E. Not applicable.
- F. Not applicable.

10. Information Concerning Parent, Subsidiaries, and Affiliates

- A.- J. No change during the period

11. Debt

- A -B. None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Notes to Financial Statement

A. E. No change during the period.

13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

- (1) None
- (2) None
- (3) None
- (4) None
- (5) None
- (6) None
- (7) None
- (8) None
- (9) None
- (10) None
- (11) None

14. Contingencies

None

15. Leases

- A. None
- B. None

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

- A. None
- B. None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None

20. Other Items

None

Notes to Financial Statement

21. Events Subsequent

None

22. Reinsurance

A. None

B. None

C. None

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

None

24. Change in Incurred Claims and Claim Adjustment Expenses

None

25. Intercompany Pooling Arrangements

None

26. Structured Settlements

None

27. Health Care Receivables

A. None

B. None

28. Participating Policies

None

29. Premium Deficiency Reserves

None

30. Anticipated Salvage and Subrogation

None

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[X] No[]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[X] No[] N/A[]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[] No[] N/A[X]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2007.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2002.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....12/31/2003.....
- 6.4 By what department or departments?

District of Columbia Department of Insurance, Securities and Banking
- 6.5 Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....2,132,774

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
Yes[] No[] N/A[X]

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
CARDINAL BANK	8270 GREENSBORO DR. STE 500, MCLEAN, VA 22102
URBAN TRUST BANK	1350 I St. NW , WASHINGTON, DC 20005

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?
16.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
17.2 If no, list exceptions:

Yes[X] No[]

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			<div>NONE</div>			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N ..								
2.	Alaska (AK)	N ..								
3.	Arizona (AZ)	N ..								
4.	Arkansas (AR)	N ..								
5.	California (CA)	N ..								
6.	Colorado (CO)	N ..								
7.	Connecticut (CT)	N ..								
8.	Delaware (DE)	N ..								
9.	District of Columbia (DC)	L ..	40,302,207		90,494,443				130,796,650	
10.	Florida (FL)	N ..								
11.	Georgia (GA)	N ..								
12.	Hawaii (HI)	N ..								
13.	Idaho (ID)	N ..								
14.	Illinois (IL)	N ..								
15.	Indiana (IN)	N ..								
16.	Iowa (IA)	N ..								
17.	Kansas (KS)	N ..								
18.	Kentucky (KY)	N ..								
19.	Louisiana (LA)	N ..								
20.	Maine (ME)	N ..								
21.	Maryland (MD)	N ..								
22.	Massachusetts (MA)	N ..								
23.	Michigan (MI)	N ..								
24.	Minnesota (MN)	N ..								
25.	Mississippi (MS)	N ..								
26.	Missouri (MO)	N ..								
27.	Montana (MT)	N ..								
28.	Nebraska (NE)	N ..								
29.	Nevada (NV)	N ..								
30.	New Hampshire (NH)	N ..								
31.	New Jersey (NJ)	N ..								
32.	New Mexico (NM)	N ..								
33.	New York (NY)	N ..								
34.	North Carolina (NC)	N ..								
35.	North Dakota (ND)	N ..								
36.	Ohio (OH)	N ..								
37.	Oklahoma (OK)	N ..								
38.	Oregon (OR)	N ..								
39.	Pennsylvania (PA)	N ..								
40.	Rhode Island (RI)	N ..								
41.	South Carolina (SC)	N ..								
42.	South Dakota (SD)	N ..								
43.	Tennessee (TN)	N ..								
44.	Texas (TX)	N ..								
45.	Utah (UT)	N ..								
46.	Vermont (VT)	N ..								
47.	Virginia (VA)	N ..								
48.	Washington (WA)	N ..								
49.	West Virginia (WV)	N ..								
50.	Wisconsin (WI)	N ..								
51.	Wyoming (WY)	N ..								
52.	American Samoa (AS)	N ..								
53.	Guam (GU)	N ..								
54.	Puerto Rico (PR)	N ..								
55.	U.S. Virgin Islands (VI)	N ..								
56.	Northern Mariana Islands (MP)	N ..								
57.	Canada (CN)	N ..								
58.	Aggregate other alien (OT)	X X X ..								
59.	Subtotal	X X X ..	40,302,207		90,494,443				130,796,650	
60.	Reporting entity contributions for Employee Benefit Plans	X X X ..								
61.	Total (Direct Business)	(a)..... 1	40,302,207		90,494,443				130,796,650	
DETAILS OF WRITE-INS										
5801.	X X X ..								
5802.	X X X ..								
5803.	X X X ..								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X ..								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X ..								

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

N O N E

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95748200836500003

2008

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2304. A/R RETURNED CHECKS	29	29		
2305. ADVANCES - EMPLOYEES	18,440	18,440		
2306. ACCOUNTS RECEIVABLE - OTHER	85	85		
2307. LEASEHOLD IMPROVEMENTS	512,058	512,058		
2397. Summary of remaining write-ins for Line 23 (Lines 2304 through 2396) ...	530,612	530,612		

STATEMENT AS OF **September 30, 2008** OF THE **DC CHARTERED HEALTH PLAN, INC.**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest paid		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	9,142,172	35,823,660
2.	Cost of bonds and stocks acquired	902,308	498,819
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of	10,044,480	27,180,307
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		9,142,172
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		9,142,172

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)								
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)	9,312,993	731,487	10,044,480		9,142,172	9,312,993	0	9,142,172
6. Class 6 (a)								
7. Total Bonds	9,312,993	731,487	10,044,480		9,142,172	9,312,993	0	9,142,172
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	9,312,993	731,487	10,044,480		9,142,172	9,312,993	0	9,142,172

Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SI03 Schedule DA Part 1 NONE

SI03 Schedule DA Verification NONE

SI04 Schedule DB Part F Section 1 NONE

SI05 Schedule DB Part F Section 2 NONE

SCHEDULE E - Verification
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	18,428,793	18,428,793
2.	Cost of cash equivalents acquired	4,588,475	
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals		
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized ...		
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	23,017,268	18,428,793
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	23,017,268	18,428,793

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00630#AE4	Certificate of Deposit	09/02/2008	ADAMS BANK	X X X	985			
00630#AE4	Certificate of Deposit	09/02/2008	ADAMS BANK	X X X	465,626			
00630#AF1	Certificate of Deposit	09/02/2008	ADAMS BANK	X X X	47,369			
00630#AF1	Certificate of Deposit	09/02/2008	ADAMS BANK	X X X	96,884			
00630#AF1	Certificate of Deposit	09/02/2008	ADAMS BANK	X X X	25,342			
45604@AB9	Certificate of Deposit	09/17/2008	INDUSTRIAL BANK	X X X	9,881			
45604@AB9	Certificate of Deposit	09/17/2008	INDUSTRIAL BANK	X X X	22,421			
45604@AD5	Certificate of Deposit	09/17/2008	INDUSTRIAL BANK	X X X	29,131			
45604@AC7	Certificate of Deposit	09/17/2008	INDUSTRIAL BANK	X X X	33,849			
4599999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	731,488			X X X
6099997 Subtotal - Bonds - Part 3					X X X	731,488			X X X
6099998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
6099999 Subtotal - Bonds					X X X	731,488			X X X
6599998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
7299998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
7399999 Subtotal - Preferred and Common Stocks					X X X		X X X		X X X
7499999 Total - Bonds, Preferred and Common Stocks					X X X	731,488	X X X		X X X

QE04

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
	CERTIFICATE OF DEPOSIT		09/02/2008	Certificate of Deposit	X X X	301,437		301,437							301,437						
			09/02/2008	Certificate of Deposit	X X X	2,418,701		2,418,701							2,418,701						
			09/02/2008	Certificate of Deposit	X X X	247,448		247,448							247,448						
			09/02/2008	Certificate of Deposit	X X X	506,101		506,101							506,101						
			09/02/2008	Certificate of Deposit	X X X	132,379		132,379							132,379						
				Certificate of Deposit	X X X	582,361		582,361							582,361						
				Certificate of Deposit	X X X	1,321,410		1,321,410							1,321,410						
				Certificate of Deposit	X X X	1,816,139		1,816,139							1,816,139						
				Certificate of Deposit	X X X	2,718,503		2,718,503							2,718,503						
4599999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	10,044,480		10,044,480							10,044,480					X X X	X X X
6099997	Subtotal - Bonds - Part 4				X X X	10,044,480		10,044,480							10,044,480					X X X	X X X
6099998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6099999	Subtotal - Bonds				X X X	10,044,480		10,044,480							10,044,480					X X X	X X X
6599998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7299998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7399999	Subtotal - Preferred and Common Stocks				X X X		X X X													X X X	X X X
7499999	Total - Bonds, Preferred and Common Stocks				X X X	10,044,480	X X X	10,044,480							10,044,480					X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/ Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income
9999999 Total X X X					

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income
						<div>NONE</div>							
9999999 Total X X X					

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
N O N E														
								. X X X						
9999999 Total														

SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	10	11	12	Potential Exposure
					N O N E							
9999999 Total X X X X X X ..					

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

		1	2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
Adams National Bank	Washington, DC 20006				27,184		4,808,446	5,297,215	(569,214)	X X X
Bank of America	Dallas, TX 75283-2406				611		782,737	358,756	382,285	X X X
Cardinal Bank Washington	Washington, DC 20006				9,073		(2,067,324)	2,452,121	951,179	X X X
ALASKA PACIFIC BANK	JUNEAU , AK		4.650	645			97,656			X X X
ALPINE BANK OF IL	ROCKFORD , IL		4.650	645			97,656			X X X
AMCORE BANK NA	ROCKFORD , IL		4.650	645			97,656			X X X
AMERICAN BANK OF TEXAS NA	MARBLE FALLS , TX		4.650	349			52,877			X X X
AMERICAN COMMUNITY BANK & TRUST	WOODSTOCK , IL		4.650	645			97,656			X X X
ANCHOR BANK, FSB	MADISON , WI		4.650	104			15,667			X X X
ANCHOR COMMERCIAL BANK	JUNO BEACH , FL		4.650	645			97,656			X X X
ARVEST BANK	FAYETTEVILLE , AR		4.650	645			97,656			X X X
BANGOR SAVINGS BANK	BANGOR , ME		4.650	228			34,467			X X X
BANK OF CASCADES	BEND , OR		4.650	645			97,656			X X X
BANK2	OKLAHOMA CITY , OK		4.650	180			27,156			X X X
BENCHMARK BANK	AURORA , IL		4.650	645			97,656			X X X
BNC NATIONAL BANK	PHOENIX , AZ		4.650	645			97,656			X X X
CAMBRIDGE BANK	LAKE ZURICH , IL		4.650	645			97,656			X X X
CENTRAL BANK & TRUST CO	HUTCHINSON , KS		4.650	645			97,656			X X X
CENTURY BANK, NATIONAL ASSOCIATION	NEW BOSTON , TX		4.650	645			97,656			X X X
CITIZENS BANK AND TRUST CO	CHILLICOTHE , MO		4.650	645			97,656			X X X
COMMUNITY BANK	PASADENA , CA		4.650	645			97,656			X X X
COMMUNITY FIRST BANK	HARRISON , AR		4.650	375			56,755			X X X
COMMUNITY RESOURCE BANK	NORTHFIELD , MN		4.650	45			6,789			X X X
COMMUNITY WEST BANK NA	GOLETA , CA		4.650	232			35,120			X X X
CONNECTICUT RIVER COMMUNITY BANK	WETHERSFIELD , CT		4.650	10			1,567			X X X
ELK STATE BANK	CLYDE , KS		4.650	645			97,656			X X X
EVERBANK	JACKSONVILLE , FL		4.650	645			97,656			X X X
FARM BUREAU BANK FSB	SPARKS , NV		4.650	645			97,656			X X X
FIDELITY BANK	WICHITA , KS		4.650	645			97,656			X X X
FIRST BANK & TRUST COMPANY	LUBBOCK , TX		4.650	645			97,656			X X X
FIRST CITIZENS NATIONAL BANK	MASON CITY , IA		4.650	645			97,656			X X X
FIRST CITIZENS NATIONAL BANK	MANSFIELD , PA		4.650	645			97,656			X X X
FIRST CLOVER LEAF BANK	EDWARDSVILLE , IL		4.650	645			97,656			X X X
FIRST COMMERCIAL BANK OF TAMPA BAY	TAMPA , FL		4.650	645			97,656			X X X
FIRST COUNTY BANK	STAMFORD , CT		4.650	645			97,656			X X X
FIRST FEDERAL BANK OF OF MIDWEST	DEFIANCE, OH		4.650	518			78,334			X X X
FIRST FEDERAL SAVING BANK OF WISCONSIN	WAUKESHA , WI		4.650	552			83,556			X X X
FIRST NATIONAL BANK	BEEMER , NE		4.650	645			97,656			X X X
FIRST NATIONAL BANK OF ARIZONA	SCOTTSDALE , AZ		4.650	645			97,656			X X X
FIRST NATIONAL BANK OF NEVADA	SCOTTSDALE , AZ		4.650	645			97,656			X X X
GRAND BANK	TULSA , OK		4.650	645			97,656			X X X
IRWIN UNION BANK AND TRUST CO	COLUMBUS , IN		4.650	345			52,248			X X X
LEGACY TEXES BANK	PLANO , TX		4.650	645			97,656			X X X
LIBERTY NATIONAL BANK	ADA , OH		4.650	645			97,656			X X X
MAIN BANK	ALBUQUERUE , NM		4.650	645			97,656			X X X
MARSHALL BANK , NA	MINNEAPOLIS , MN		4.650	645			97,656			X X X
MB FINANCIAL BANK NA	CHICAGO , IL		4.650	645			97,656			X X X
MORTON COMMUNITY BANK	MORTON , IL		4.650	511			77,352			X X X
NEIGHBORHOOD NATIONAL BANK	NATIONAL CITY , CA		4.650	645			97,656			X X X
NEWFIRST NATIONAL BANK	EL CAMPO , TX		4.650	645			97,656			X X X
ONB BANK AND TRUST COMPANY	TULSA , OK		4.650	645			97,656			X X X
ORION BANK	NAPLES , FL		4.650	645			97,656			X X X
PACIFIC RIM BANK	HONOLULU , HI		4.650	645			97,656			X X X
PEOPLES NATIONAL BANK	MT. VERNON , IL		4.650	645			97,656			X X X
PEOPLES STATE BANK	WAUSAU , WI		4.650	645			97,656			X X X
PINNACLE BANK	MARSHALLTOWN , IA		4.650	645			97,656			X X X
PINNACLE BANK	ELBERTON , GA		4.650	645			97,656			X X X
SECURITY NATIONAL BANK	DURAND , WI		4.650	645			97,656			X X X
SHORE BANK	CHICAGO , IL		4.650	372			56,292			X X X
SPIRITBANK	BRISTOW , OK		4.650	329			49,739			X X X
SUMMIT BANK	TULSA , OK		4.650	645			97,656			X X X
THE CITADEL BANK	COLORADO SPRINGS , CO		4.650	73			10,989			X X X

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
THE F&M BANK AND TRUST CO	TULSA , OK			4.650	645		97,656			X X X
THE FIRST NATIONAL BANK - FOX VALLEY	NEENAH , WI			4.650	645		97,656			X X X
THE FROST NATIONAL BANK	SAN ANTONIO , TX			4.650	645		97,656			X X X
UNITED LABOR BANK , AFSB	OAKLAND , CA			4.650	645		97,656			X X X
VIKING COMMUNITY BANK	SEATTLE , WA			4.650	645		97,656			X X X
ATLANTIC COST BANK, WAYCROSS, GA	WAYCROSS, GA			3.540	303			93,536	93,803	X X X
BANK OF CASCADES, BEND, OR	BEND, OR			3.540	303			93,536	93,803	X X X
BANK OF NEVADA, LAS VEGAS, NV	LAS VEGAS, NV			3.540	303			93,536	93,803	X X X
CATSKILL HUDSON BANK, MONTICELLO, NY	MONTICELLO, NY			3.540	303			93,536	93,803	X X X
CITIZENS BANK & TRUST CO, CHILLICOTHE, MO	CHILLICOTHE, MO			3.540	303			93,536	93,803	X X X
CITIZENS FIRST NATIONAL BANK, PRINCETON, IL	PRINCETON, IL			3.540	303			93,536	93,803	X X X
CITYWIDE BANKS, AURORA, CO	AURORA, CO			3.540	303			93,536	93,803	X X X
COASTAL STATES BANK, HILTON HEAD ISLAND, SC	HILTON HEAD ISLAND, SC			3.540	303			93,536	93,803	X X X
COLONY BANK OF FITZGERALD, FITZGERALD, GA	FITZGERALD, GA			3.540	303			93,536	93,803	X X X
COMMUNITY BANK OF BROWARD, WESTON, FL	WESTON, FL			3.540	303			93,536	93,803	X X X
CONNECTICUT RIVER BANK NA, CHALESTOWN, NH	CHALES TOWN, NH			3.540	303			93,536	93,803	X X X
DECATURE FIRST BANK, DECATURE, GA	DECATURE, GA			3.540	303			93,536	93,803	X X X
EAST WEST BANK, PASADENA, CA	PASADENA, CA			3.540	303			93,536	93,803	X X X
EXCHANGE BANK, SANTA ROSA, CA	SANTA ROSA, CA			3.540	303			93,536	93,803	X X X
FARMERS & MERCHANTS BAN, TOMAH, WI	TOMAH, WI			3.540	303			93,536	93,803	X X X
FIRST BANK AND TRUST COMPANY, LUBBOCK, TX	LUBBOCK, TX			3.540	303			93,536	93,803	X X X
FIRST BANK OF GEORGIA, AUGUSTA, GA	AUGUSTA, GA			3.540	303			93,536	93,803	X X X
FIRST BANK, HAZELWOOD, MO	HAZELWOOD, MO			3.540	303			93,536	93,803	X X X
FIRST COMMUNITY BANK FORT BEND, SUGAR LAND, TX	SUGAR LAND, TX			3.540	303			93,536	93,803	X X X
FIRST COMMUNITY BANK THE WOODLANDS NA, TOMBALL, TX	TOMBALL, TX			3.540	303			93,536	93,803	X X X
FIRST FIDELITY BANK NA, OKLAHOMA CITY, OK	OKLAHOMA CITY, OK			3.540	303			93,536	93,803	X X X
FIRST GUARANTY BANK, HAMMOND, LA	HAMMOND, LA			3.540	303			93,536	93,803	X X X
FIRSTIER BANK, LOUISVILLE, CO	LOUISVILLE, CO			3.540	303			93,536	93,803	X X X
FLAGSTER BANK FSB, TROY, MI	TROY, MI			3.540	303			93,536	93,803	X X X
GRAND MOUNTAIN BANK FSB, GRANBY, CO	GRANBY, CO			3.540	303			93,536	93,803	X X X
GULFSTREAM BUSINESS BANK, STUART, FL	STUART, FL			3.540	303			93,536	93,803	X X X
HOMETOWN BANK NATIONAL ASSOCIATION, CARTHAGE, MO	CARTHAGE, MO			3.540	303			93,536	93,803	X X X
KANSAS STATE BANK OF MANHATTAN, MANHATTAN, KS	MANHATTAN, KS			3.540	303			93,536	93,803	X X X
LA SALLE STATE BANK, LA SALLE, IL	LA SALLE, IL			3.540	303			93,536	93,803	X X X
LEGACY BANK, SCOTTSDALE, AZ	SCOTSDALE, AZ			3.540	303			93,536	93,803	X X X
MARINE BANK, MARATHON SHORES, FL	MARATHON SHORES, FL			3.540	303			93,536	93,803	X X X
McHENRY SAVINGS BANK, McHENRY, IL	MCHENRY, IL			3.540	303			93,536	93,803	X X X
MID SOUTH BANK, MURFREESBORO, TN	MURFREESBORO, TN			3.540	303			93,536	93,803	X X X
MILFORD NATIONAL BANK & TRUST CO, MILFORD, MA	MILFORD, MA			3.540	303			93,536	93,803	X X X

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
MOHAVE STATE BANK, LAKE HAVASU CITY, AZ	LAKE HAVASU CITY, AZ			3.540	303			93,536	93,803	X X X
MONROE BANK, BOOLMINGTON, IN	BLOOMINGTON, IN			3.540	303			93,536	93,803	X X X
MUTUAL OF OMAHA BANK, OMAHA, NE	OMAHA, NE			3.540	303			93,536	93,803	X X X
PACIFIC WESTERN BANK, SAN DIEGO, CA	SAN DIEGO, CA			3.540	303			93,536	93,803	X X X
PEOPLEFIRST BANK, JOLIET, IL	JOLIET, IL			3.540	303			93,536	93,803	X X X
PEOPLES NATIONAL BANK NA, MT. VERNON, IL	MT. VERNON, IL			3.540	303			93,536	93,803	X X X
POST OAK BANKNA, HOUSTON, TX	HUSTON, TX			3.540	303			93,536	93,803	X X X
PULASKI BANK, ST LOUIS, MO	ST LOUIS, MO			3.540	303			93,536	93,803	X X X
RED MOUNTAIN BANK NA, BIRMINGHAM, AL	BIRMINGHAM, AL			3.540	303			93,536	93,803	X X X
RENASANT BANK, TUPELO, MS	TUPELO, MS			3.540	303			93,536	93,803	X X X
SAN JOAQUIN BANK, BAKERSFIELD, CA	BAKERSFIELD, CA			3.540	303			93,536	93,803	X X X
SIMMONS FIRST BANK OF NORTHWEST ARKANSAS, ROGERS, AR	ROGERS, AR			3.540	303			93,536	93,803	X X X
SPIRITBANK, BRISTOW, OK	BRISTOW, OK			3.540	303			93,536	93,803	X X X
THE BARABOO NATIONAL BANK, BARABOO, WI	BARABOO, WI			3.540	303			93,536	93,803	X X X
THE BRAND BANKING CO, LAWRENCEVILLE, GA	LAWRENCEVILLE, GA			3.540	303			93,536	93,803	X X X
THE DELAWARE COUNTY BANK AND TRUST, LEWIS CENTER, OH	LEWIS CENTER, OH			3.540	303			93,536	93,803	X X X
THE FIRST NATIONAL BANK OF OLATHE, OLATHE, KS	OLATHE, KS			3.540	303			93,536	93,803	X X X
THE PRIVATE BANK, ATLANTA, GA	ATLANTA, GA			3.540	303			93,536	93,803	X X X
UNION BANK & TRUST COMPANY, MONTICELLO, AR	MONTICELLO, AR			3.540	303			93,536	93,803	X X X
UNITED COMMUNITY BANK, BLAIRSVILLE, GA	BLAIRSVILLE, GA			3.540	303			93,536	93,803	X X X
VALLEY COMMUNITY BANK, PLEASANTON, CA	PLEASANTON, CA			3.540	303			93,536	93,803	X X X
FIRST NATIONAL BANK, MOUTAIN VIEW, MO	MOUNTAIN VIEW, MO			3.540	266			82,022	82,257	X X X
CENTRAL NATIONAL BANK & TRUST CO OF ENID, ENID, OK	ENID, OK			3.540	181			55,880	56,039	X X X
THE FARMERS AND MERCHANTS STATE BANK, ARCHBOLD, OH	ARCHBOLD, OH			3.540	180			55,413	55,572	X X X
ANCHOR BANK FSB, MADISON, MI	MADISON, MI			3.540	120			36,968	37,074	X X X
INDEPENDENCE BANK NA, HOUSTON, TX	HOUSTON, TX			3.540	105			32,512	32,605	X X X
CENTURY BANK, EUGENE, OR	EUGENE, OR			3.540	73			22,509	22,573	X X X
MOUNTIAN WEST BANK, COEUR D'ALENE, ID	COEUR D'ALENE, ID			3.540	39			12,005	12,039	X X X
ALBINA COMMUNITY BANK, PAORTLAND, OR	PORTLAND, OR			3.750	258				94,758	X X X
CITIZENS UNION BANK, SHELBYVILLE, KY	SHELBYVILLE, KY			3.750	258				94,758	X X X
FIRST COMMERCIAL BANK, JACKSON, MS	JACKSON, MS			3.750	258				94,758	X X X
FIRST NATIONAL BANK OF CENTRAL FLORIDA, WINTER PARK, FL	WINTER PARK, FL			3.750	258				94,758	X X X
FIRST WESTERN TRUST BANK, DENVER, CO	DENVER, CO			3.750	258				94,758	X X X
GENESEE REGIONAL BANK, ROCHESTER, NY	ROCHESTER, NY			3.750	258				94,758	X X X
GENEVA STATE BANK, GENEVA, NE	GENEVA, NE			3.750	258				94,758	X X X
HOMESTREET BANK, SEATTLE, WA	SEATTLE, WA			3.750	258				94,758	X X X
NATIONAL CITY BANK, CLEVELAND, OH	CLEVELAND, OH			3.750	258				94,758	X X X
THE BANK OF GEORGIA, PEACHTREE CITY, GA	PEACHTREE CITY, GA			3.750	258				94,758	X X X

SCHEDULE E - PART 1 - CASH

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
UNION NATIONAL COMMUNITY BANK, MOUNT JOY, PA	MOUNT JOY, PA			3.750	258				94,758	X X X
VIST BANK, WYOMISSING, PA	WYOMISSING, PA			3.750	225				82,750	X X X
PINNACLE NATIONAL BANK, NASHVILLE, TN	NASHVILLE, TN			3.750	178				65,519	X X X
BANK OF MONTGOMERY, MONTGOMERY, LA	MONTGOMERY, LA			3.750	258				94,758	X X X
BEACH FIRST NATIONAL BANK, MYRTLE BEACH, SC	MYRTLE BEACH, SC			3.750	258				94,758	X X X
BROTHERHOOD BANK & TRUST, KANSAS CITY, KS	KANSAS CITY, KS			3.750	258				94,758	X X X
CITIZENS NATIONAL BANK OF MERIDIAN, MERIDIAN, MS	MERDIAN, MS			3.750	258				94,758	X X X
CITIZENS SAVING BANK AND TRUST COMPANY, NASHVILLE, TN	NASHVILLE, TN			3.750	258				94,758	X X X
CNL BANK, ORLANDO, FL	ORLANDO, FL			3.750	258				94,758	X X X
CORRIDOR STATE BANK, CORALVILLE, IA	CORALVILLE, IA			3.750	258				94,758	X X X
ENTERPRISE BANK & TRUST, CLAYTON, MO	CLAYTON, MO			3.750	258				94,758	X X X
FIRST BANKING CENTER, BURLINGTON, WI	BURLINGTON, WI			3.750	258				94,758	X X X
FIRST FEDERAL SAVING AND LOAN ASSOC, McMINNVILLE, OR	McMINNVILLE, OR			3.750	258				94,758	X X X
FIRST GEORGIA BANKING CO, CARROLLTON, GA	CARROLTON, GA			3.750	258				94,758	X X X
FIRST RESOURCE BANK, EXTON, PA	EXTON, PA			3.750	258				94,758	X X X
OHIO CENTRAL SAVINGS, DUBLIN, OH	DUBLIN, OH			3.750	258				94,758	X X X
PALM DESERT NATIONAL BANK, PALM DESERT, CA	PALM DESERT, CA			3.750	258				94,758	X X X
PARKWAY BANK, LENOIR, NC	LENOIR, NC			3.750	258				94,758	X X X
THE PEOPLES BANK, IVA, SC	IVA, SC			3.750	258				94,758	X X X
THE PRIVATE BANK & TRUST CO, CHICAGO IL	CHICAGO, IL			3.750	258				94,758	X X X
TOWN & COUNTRY BANK & TRUST CO, BARDSTOWN, KY	BARDSTOWN, KY			3.750	258				94,758	X X X
TRADITIONAL BANK INC, MOUNT STERLING, KY	MOUNT STERLING, KY			3.750	258				94,758	X X X
UMPQUA BANK, ROSEBURG, OR	ROSEBURG, OR			3.750	258				94,758	X X X
USAMERIBANK, LARGO, FL	LARGO, FL			3.750	258				94,758	X X X
VISION BANK, PANAMA CITY, FL	PANAMA CITY, FL			3.750	258				94,758	X X X
FIRST INDEPENDENT BANK, VANCOUVER, WA	VANCOUVER, WA			3.750	166				61,166	X X X
HERITAGE BANK & TRUST, COLUMBIA, TN	COLUMBIA, TN			3.750	166				61,166	X X X
PEOPLES BANK OF KANKAKEE COUNTY, BOURBONNAIS, IL	BOURBONNAIS, IL			3.750	164				60,265	X X X
ANCHORBANK FSB, MADISON, WI	MADISON, WI			3.750	154				56,700	X X X
METROPOLITAN CAPITAL BANK, CHICAGO, IL	CHICAGO, IL			3.750	128				47,238	X X X
SAVANNAH BANK NATL ASSOC, SAVANNAH, GA	SAVANNAH, GA			3.750	79				29,206	X X X
WILLAMETTE COMMUNITY BANK, ALBANY, OR	ALBANY, OR			3.750	35				12,878	X X X
VIST BANK, WYOMISSING, PA	WYOMISSING, PA			3.750	33				12,008	X X X
GCF BANK, SEWELL, NJ	SEWELL, NJ			3.750	124				94,624	X X X
FIRST PLACE BANK, WARREN, OH	WARREN, OH			3.750	124				94,624	X X X
GUARANTY BANK, SPRINGFIELD, MO	SPRINGFIELD, MO			3.750	124				94,624	X X X
FIRST FEDERAL SAVING & LOAN ASSOC, CHARLSTON, SC	CHARLSTON, SC			3.750	124				94,624	X X X
BROADWAY FEDERAL BANK FSB, LOS ANGELES, CA	LOS ANGELES, CA			3.750	124				94,624	X X X
UNION SAVINGS BANK, ALBUQUERQUE, NM	ALBUQUERQUEN, NM			3.750	124				94,624	X X X

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
RHINEBECK SAVINGS BANK, RHINEBECK, NY	RHINEBECK, NY			3.750	124				94,624	X X X
BANK OF ST. AUGUSTINE, ST. AUGUSTINE, FL	AUGUSTINE, FL			3.750	124				94,624	X X X
BANK OF COLORADO, FORT COLLINS, CO	FORT COLLINS, CO			3.750	124				94,624	X X X
MINNWEST BANK METRO, EAGAN, MN	EAGAN, MN			3.750	124				94,624	X X X
ALKELAND BANK, OAK RIDGE, NJ	OAK RIDGE, NJ			3.750	124				94,624	X X X
FIRST CITIZENS NATIONAL BANK, DYERSBURG, TN	DYERSBURG, TN			3.750	124				94,624	X X X
INDEPENDENT BANK, MCKINNEY, TX	McKINNEY, TX			3.750	124				94,624	X X X
NORTHSTAR BANK OF TEXAS, DENTON, TX	DENTON, TX			3.750	124				94,624	X X X
BANK OF FLORIDA SOUTHWEST, NAPLES, FL	NAPLES, FL			3.750	124				94,624	X X X
EQUITY BANK A NATIONAL ASSOC, ANDOVER, KS	ANDOVER, KS			3.750	124				94,624	X X X
EMPIRE BANK, SPRINGFIELD, MO	SPRINGFIELD, MO			3.750	124				94,624	X X X
BANK OF WHITMAN, COLFAX, WA	COLFAX, WA			3.750	124				94,624	X X X
BANKTRUST, MOBILE, AL	MOBILE, AL			3.750	124				94,624	X X X
BRYAN BANK & TRUST, SAVANNAH, GA	SAVANNAH, GA			3.750	124				94,624	X X X
MILLENNIUM BANK, EDWARDS, CO	EDWARDS, CO			3.750	124				94,624	X X X
THE HERITAGE BANK, HINESVILLE, GA	HINESVILLE, GA			3.750	124				94,624	X X X
PEOPLES BANK, MENDENHALL, MS	MENDENGHALL, MS			3.750	124				94,624	X X X
ATLANTIC SOUTHERN BANK, MACON, GA	MACON, GA			3.750	124				94,624	X X X
BANK OF ILLINOIS, NORMAL, IL	NORMAN, IL			3.750	124				94,624	X X X
THE BANK OF ELK RIVER, ELK RIVER, MN	ELK RIVER, MN			3.750	124				94,624	X X X
BANK IOWA, ATLOONA, IA	ATLOONA, IA			3.750	124				94,624	X X X
VILLAGE BANK & TRUST, ARLINGTON HEIGHTS, IL	ARLINGTON HEIGHTS, IL			3.750	124				94,624	X X X
TNBANK, OAK RIDGE, TN	OAK RIDGE, TN			3.750	124				94,624	X X X
SUPERIOR BANK, BIRMINGHAM, AL	BIRMINGHAM, AL			3.750	124				94,624	X X X
BANK OF VERNON, VERNON, AL	VERNON, AL			3.750	124				94,624	X X X
TIB BANK OF THE KEYS, KEY LARGO, FL	KEY LARGO, FL			3.750	124				94,624	X X X
MB FINANCIAL BANK NA, CHICAGO, IL	CHICAGO, IL			3.750	124				94,624	X X X
WEST BANK, WEST DES MOINES, IA	WEST DES MOINES, IA			3.750	124				94,624	X X X
HERITAGE BANK, BURLINGTON, KY	BURLINGTON, KY			3.750	124				94,624	X X X
CAPITOL BANK, MADISON, WI	MADISON, WI			3.750	124				94,624	X X X
COMMUNITY BANK OF COLORADO, GREENWOOD VILLAGE, CO	GREENWOOD VILLAGE, CO			3.750	124				94,624	X X X
MIDWEST BANK OF WESTERN ILLINOIS, MONMOUTH, IL	MONMOUTH, IL			3.750	124				94,624	X X X
AMERICAN ENTERPRISE BANK, BUFFALO GROVE, IL	BUFFALO GROVE, IL			3.750	124				94,624	X X X
SOUTHWESTUSA BANK, LAS VEGAS, NV	LAS VEGAS, NV			3.750	124				94,624	X X X
BTC BANK, BETHANY, MO	BETHANY, MO			3.750	124				94,624	X X X
MODERN BANK NA, NY CITY, NY	NY CITY , NY			3.750	124				94,624	X X X
INSOUTH BANK, BROWNSVILLE, TN	BROWNSVILLE, TN			3.750	124				94,624	X X X
INDEPENDENT BANK WACO, WACO, TX	WACO, TX			3.750	124				94,624	X X X
THE PRIVATE BANK, BLOOMFIELD HILLS, MI	BLOOMFIELD HILLS, MI			3.750	124				94,624	X X X
FIRST STATE BANK, FLAGSTAFF, AZ	FLAGSTAFF, AZ			3.750	124				94,624	X X X
MIDWEST BANK & TRUST CO, INVERNESS, IL	INVERNESS, IL			3.750	124				94,624	X X X
PREMIER BANK, JEFFERSON CITY, MO	JEFFERSON CITY, MO			3.750	124				94,624	X X X

SCHEDULE E - PART 1 - CASH

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
NORTHWEST BANK & TRUST, ACWORTH, GA	ACWORTH, GA			3.750	124				94,624	X X X
SIGNATURE BANK, MINNETONKA, MN	MINNETONKA, MN			3.750	124				94,624	X X X
ST. LOUIS BANK, CHESTERFIELD, MO	CHESTERFIELD, MO			3.750	124				94,624	X X X
COMMONWEALTH BUSINESS BANK, LOS ANGELES, CA	LOS ANGELES, CA			3.750	124				94,624	X X X
STERLING BANK, POPLAR BLUFF, MO	POPLAR BLUFF, MO			3.750	124				94,624	X X X
AMERICAN TRUST BANK, ROSWELL, GA	ROSWELL, GA			3.750	124				94,624	X X X
ECLIPSE BANK, LOUISVILLE, KY	LOUISVILLE, KY			3.750	124				94,624	X X X
SIGNATURE BANK OF ARKANSAS, FAYETTEVILLE, AR	FAYETTEVILLE, AR			3.750	124				94,624	X X X
ALARION BANK, OCALA, FL	OCALA, FL			3.750	124				94,624	X X X
RIVER BANK & TRUST, PRATTVILLE, AL	PRATTVILLE, AL			3.750	124				94,624	X X X
PUGET SOUND BANK, BELLEVUE, WA	BELLEVUE, WA			3.750	124				94,624	X X X
PINNACLE BANK, MORGAN HILL, CA	MORGAN HILL, CA			3.750	124				94,624	X X X
VIRGINIA HERITAGE BANK, FAIRFAX, VA	FAIRFAX, VA			3.750	124				94,624	X X X
BANK OF FLORIDA TAMPA BAY, TAMPA, FL	TAMPA, FL			3.750	124				94,624	X X X
FIRST BANK OF PALM BEACHES, WEST PALM BEACH, FL	WEST PALM BEACH, FL			3.750	124				94,624	X X X
FIRST INTERSTATE BANK, BILLINGS, MT	BILLINGS, MT			3.750	116				88,429	X X X
MECHANTS & FARMERS BANK, KOSCIUSKO, MS	KOSCIUSKO, MS			3.750	81				61,581	X X X
JOHNSON BANK, RACINE, WI	RACINE, WI			3.750	80				61,431	X X X
MIDWESTONE BANK, IOWA CITY, IA	IOWA CITY, IA			3.750	71				54,418	X X X
PROFESSIONAL BANK, NATIONAL ASSOC, DALLAS, TX	DALLAS, TX			3.750	68				51,568	X X X
COMMUNITY NATIONAL BANK, GREAT NECK, NY	GREAT NECK, NY			3.750	61				46,665	X X X
THE PEOPLES BANK, WINDER, GA	WINDER, GA			3.750	39				30,039	X X X
PINNACLE NATIONAL BANK, NASHVILLE, TN	NASHVILLE, TN			3.750	38				29,198	X X X
CORNERSTONE BANK, OVERLAND PARK, KS	OVERLAND PARKS, KS			3.750	37				28,037	X X X
MISSION COMMUNITY BANK, SAN LUIS OBISPO, CA	SAN LUIS OBISPO, CA			3.750	20				15,624	X X X
MOUNTAIN COMMERCE BANK, KNOXVILLE, TN	KNOXVILLE, TN			3.750	13				10,013	X X X
WILLAMETTE COMMUNITY BANK, ALBANY, OR	ALBANY, OR			3.750	7				5,507	X X X
THE VILLAGE BANK, SAINT GEORGE, UT	ST. GEORGE, UT			3.750	4				3,041	X X X
										X X X
										X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	108,626		8,947,897	13,549,862	16,284,336	X X X
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	108,626		8,947,897	13,549,862	16,284,336	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X	800	800	800	X X X
0599999 Total Cash			X X X	X X X	108,626		8,948,697	13,550,662	16,285,136	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
6099999 Subtotals - Bonds							
Sweep Accounts							
Cardinal Bank - Sweep - U.S. Treasury Bill		09/30/2008 ...	0.013	10/01/2008 ...	301,050		6,198
Cardinal Bank -Sweep - Repurchase Agreement		09/30/2008 ...	0.025	10/01/2008 ...	22,716,219		295,799
8599999 Sweep Accounts					23,017,268		301,997
8699999 Other Cash Equivalents							
8799999 Total - Cash Equivalents					23,017,268		301,997



MEDICARE PART D COVERAGE SUPPLEMENT
Net of Reinsurance
For the Quarter Ended September 30, 2008

NAIC Group Code:

NAIC Company Code: 95748

		Individual Coverage		Group Coverage		5 Total Cash
		1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1.	Premiums Collected		X X X		X X X	
2.	Earned Premiums		X X X		X X X	X X X
3.	Claims Paid		X X X		X X X	
4.	Claims Incurred		X X X		X X X	X X X
5.	Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	N O N E		X X X		
6.	Aggregate Policy Reserves - change				X X X	X X X
7.	Expenses Paid				X X X	
8.	Expenses Incurred		X X X		X X X	X X X
9.	Underwriting Gain or Loss		X X X		X X X	X X X
10.	Cash Flow Results	X X X	X X X	X X X	X X X	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.0 due from CMS or \$.0 due to CMS

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